The Honourable Ken Krawetz
Deputy Premier
Minister of Finance

SASKATCHEWAN PROVINCIAL BUDGET

12-13

KEEPING THE SASKATCHEWAN ADVANTAGE

SUPPLEMENTARY
ESTIMATES
NOVEMBER

SASKATCHEWAN

Supplementary Estimates - November

For the Fiscal Year
Ending March 31
2013

General Revenue Fund
Supplementary Estimates - November
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Introduction

The 2012-13 Supplementary Estimates – November are prepared in accordance with Section 12(1) of *The Financial Administration Act, 1993* and therefore include the estimated increases in 2012-13 "To Be Voted" and "Statutory" expenditures, loans, advances or investments to be paid from the General Revenue Fund (GRF).

The funding requests reflect the additional commitments that the government has or will undertake during the fiscal year. The requested funding is the net amount required after reallocating voted appropriations not required in other areas of the Vote.

The additional funding contained in the 2012-13 Supplementary Estimates – November includes appropriations already provided by special warrants. *The Financial Administration Act, 1993* requires that special warrant appropriations be "submitted to the Legislative Assembly as part of the next *Appropriation Act* that is not an Act for interim supply".

The 2012-13 Supplementary Estimates – November reflect the May 25, 2012, government reorganization pursuant to *The Government Organization Act*. The Act transfers the administration of parts of the public service and the money appropriated with respect to that part of the public service in various program areas. The program areas will continue to be funded from the original appropriation included in the 2012-13 Estimates. The additional funding provided for these program areas by these supplementary estimates will be provided under the new structure.

The 2012-13 Supplementary Estimates – November contain financial statements and schedules similar in format to those included in the 2012-13 Estimates and incorporate estimated changes in revenue, expenditure and loan disbursements. The financial statements and schedules incorporate the new government structure (refer to "Restated Budgetary Appropriation – Government Reorganization" on page 6).

The detail section of the 2012-13 Supplementary Estimates – November, beginning on page 13, follows the similar Vote (ministry or Crown organization), subvote (major program area) and allocation (component of a subvote) as the 2012-13 Estimates with the exception of the reorganized programs.

The subvote descriptions provided in the 2012-13 Estimates apply to the 2012-13 Supplementary Estimates – November. Subvote descriptions may be expanded by the explanation for the additional funding provided by the Supplementary Estimates.

Descriptions for new votes and subvotes are incorporated into the explanation for the additional funding.

The Principles and Concepts, Accounting Policies and Glossary of Terms outlined in the 2012-13 Estimates apply to the 2012-13 Supplementary Estimates – November.

Statement of Operations and Accumulated Deficit

(thousands of dollars)

	Original Estimated 2012-13	Forecasted 2012-13	Change 2012-13
Revenue	11,290,900	11,239,900	(51,000)
Expense			
Operating Expense	10,930,627	10,966,391	35,764
Capital Transfers	265,286	261,062	(4,224)
Expense	11,195,913	11,227,453	31,540
Pre-Transfer Surplus	94,987	12,447	(82,540)
Transfer (to) Growth and Financial Security Fund	(47,494)	(6,224)	41,270
Transfer from Growth and Financial Security Fund	-	50,000	50,000
Surplus	47,493	56,223	8,730
Accumulated Deficit, Beginning of Year	(145,858)	(146,425)[1]	(567)
Accumulated Deficit, End of Year	(98,365)	(90,202)	8,163

[1] This amount represents the accumulated deficit of the General Revenue Fund at March 31, 2012, per the 2011-12 Public Accounts.

Statement of Change in Net Debt

(thousands of dollars)

	Original Estimated 2012-13	Forecasted 2012-13	Change 2012-13
Annual Surplus	47,493	56,223	8,730
Acquisition of Capital Assets	(522,447)	(569,015)	(46,568)
Amortization of Capital Assets (Gross)	191,505	187,981	(3,524)
Disposal of Agricultural Land (Book Value)	1,600	4,000	2,400
(Increase) Decrease in Net Debt from Operations	(281,849)	(320,811)	(38,962)
Net Debt, Beginning of Year	(3,574,217)	(3,559,876)[1]	14,341
Net Debt, End of Year	(3,856,066)	(3,880,687)	(24,621)

[1] This amount represents the net debt of the General Revenue Fund at March 31, 2012, per the 2011-12 Public Accounts.

Growth and Financial Security Fund

(thousands of dollars)

	Original Estimated 2012-13	Forecasted 2012-13	Change 2012-13
Growth and Financial Security Fund, Beginning of Year	708,869	708,302[1]	(567)
Transfer from General Revenue Fund	47,494	6,224	(41,270)
Transfer (to) General Revenue Fund	-	(50,000)	(50,000)
Growth and Financial Security Fund, End of Year	756,363	664,526	(91,837)

Transfer from the General Revenue Fund (GRF) is 50 per cent of the GRF's pre-transfer surplus in accordance with Section 18(1) of *The Growth and Financial Security Act* (Act). Transfer to the GRF is pursuant to Section 20 of the Act.

[1] This amount represents the balance at March 31, 2012, per the 2011-12 Public Accounts.

Restated Budgetary Appropriation - Government Reorganization

(thousands of dollars)

	Original Estimated 2012-13	Reorganization Transfers 2012-13	Restated Estimated 2012-13
Ministries and Agencies			
Advanced Education[1]	888,653	(140,085)	748,568
Agriculture	428,671	-	428,671
Central Services[2,3]	72,671	24,852	97,523
Corrections, Public Safety and Policing[4,5]	388,663	(388,663)	-
Economy[1,6,7,8,9]	48,160	187,368	235,528
Education	1,388,788	-	1,388,788
- Teachers' Pensions and Benefits	244,892	-	244,892
Enterprise and Innovation Programs[6]	27,347	(27,347)	-
Enterprise Saskatchewan	33,063	-	33,063
Environment[7]	185,054	(180)	184,874
Executive Council[10]	16,572	59	16,631
Finance	67,831	-	67,831
- Public Service Pensions and Benefits	283,517	-	283,517
Finance Debt Servicing	400,000	-	400,000
First Nations and Métis Relations[8,11]	81,936	(81,936)	-
Government Relations[5,10,11]	386,783	90,176	476,959
Health	4,726,451	-	4,726,451
Highways and Infrastructure	306,191	-	306,191
Highways and Infrastructure Capital	275,300	-	275,300
Information Technology Office[2]	20,511	(20,511)	-
Innovation Saskatchewan	6,769	-	6,769
Justice[4]	166,080	377,741	543,821
Labour Relations and Workplace Safety	17,385	-	17,385
Office of the Provincial Capital Commission[3,12]	14,715	(14,715)	-
Parks, Culture and Sport[9,12]	111,346	(6,759)	104,587
Public Service Commission	37,041	-	37,041
Saskatchewan Research Council	18,983	-	18,983
Social Services	871,629	-	871,629
Legislative Assembly and its Officers			
Chief Electoral Officer	2,471	-	2,471
Children's Advocate	1,944	-	1,944
Conflict of Interest Commissioner	145	-	145
Information and Privacy Commissioner	1,065	-	1,065
Legislative Assembly	26,173	-	26,173
Ombudsman	3,075	-	3,075
Provincial Auditor	8,332	-	8,332
Budgetary Appropriation	11,558,207	-	11,558,207

[1] Responsibility for employment and immigration assigned to Economy (formerly Energy and Resources).

[2] Responsibility for information technology assigned to Central Services (formerly Government Services).

[3] Responsibility for Saskatchewan Archives Board assigned to Central Services.

[4] Responsibility for corrections and policing assigned to Justice (formerly Justice and Attorney General).

[5] Responsibility for public safety assigned to Government Relations (formerly Municipal Affairs).

[6] Responsibility for Enterprise and Innovation Programs assigned to Economy.

[7] Responsibility for business development assigned to Economy.

[8] Responsibility for First Nations and Métis economic development assigned to Economy.

[9] Responsibility for tourism assigned to Economy.

[10] Responsibility for a position providing support for the provincial secretary assigned to Executive Council.

[11] Responsibility for northern development and First Nations and Métis relations assigned to Government Relations.

[12] Responsibility for provincial capital commission operations assigned to Parks, Culture and Sport (formerly Tourism, Parks, Culture and Sport).

Schedule of Budgetary Appropriation

(thousands of dollars)

	Restated Estimated 2012-13	Supplementary Estimated 2012-13	Adjustments[1] 2012-13	Forecasted Expenditure 2012-13
Ministries and Agencies				
Advanced Education	748,568	-	(110)	748,458
Agriculture	428,671	-	(4,309)	424,362
Central Services	97,523	-	(356)	97,167
Economy	235,528	15,984	(2,539)	248,973
Education	1,388,788	-	(24)	1,388,764
- Teachers' Pensions and Benefits	244,892	-	-	244,892
Enterprise Saskatchewan	33,063	-	(17,017)	16,046
Environment	184,874	-	(1,785)	183,089
Executive Council	16,631	-	(166)	16,465
Finance	67,831	-	-	67,831
- Public Service Pensions and Benefits	283,517	-	-	283,517
Finance Debt Servicing	400,000	-	(5,000)	395,000
Government Relations	476,959	85,235	-	562,194
Health	4,726,451	-	(32,675)	4,693,776
Highways and Infrastructure	306,191	-	(900)	305,291
Highways and Infrastructure Capital	275,300	50,000	(2,506)	322,794
Innovation Saskatchewan	6,769	-	-	6,769
Justice	543,821	-	-	543,821
Labour Relations and Workplace Safety	17,385	525	-	17,910
Parks, Culture and Sport	104,587	5,000	-	109,587
Public Service Commission	37,041	-	(385)	36,656
Saskatchewan Research Council	18,983	-	-	18,983
SaskBuilds Corporation	-	2,000	-	2,000
Social Services	871,629	-	(9,340)	862,289
Legislative Assembly and its Officers				
Chief Electoral Officer	2,471	-	-	2,471
Children's Advocate	1,944	-	-	1,944
Conflict of Interest Commissioner	145	-	-	145
Information and Privacy Commissioner	1,065	-	-	1,065
Legislative Assembly	26,173	-	-	26,173
Ombudsman	3,075	-	-	3,075
Provincial Auditor	8,332	-	-	8,332
Budgetary Appropriation	11,558,207	158,744	(77,112)	11,639,839
"Voted" Budgetary Appropriation	10,760,644	158,744	(72,112)	10,847,276
"Statutory" Budgetary Appropriation	797,563	-	(5,000)	792,563

[1] Adjustments include (in thousands of dollars):

Voted Appropriation forecasted to be unutilized	(69,606)
Forecasted reduction in Statutory Appropriation requirement	(5,000)
2011-12 Highways and Infrastructure Capital appropriation carried over to 2012-13	57,494
2012-13 Highways and Infrastructure Capital appropriation forecasted to carryover to 2013-14	(60,000)
	(77,112)

Schedule of Budgetary Appropriation and Expense

(thousands of dollars)

	Forecasted[1] Expenditure 2012-13	Deduct: Revised Capital Asset Acquisitions[2] 2012-13	Add: Revised Capital Asset Amortization 2012-13	Forecasted Expense 2012-13
Ministries and Agencies				
Advanced Education	748,458	-	1,945	750,403
Agriculture	424,362	-	2,106	426,468
Central Services	97,167	62,379	420	35,208
Economy	248,973	8,353	2,830	243,450
Education	1,388,764	41,841	1,000	1,347,923
- Teachers' Pensions and Benefits	244,892	-	-	244,892
Enterprise Saskatchewan	16,046	-	-	16,046
Environment	183,089	14,299	7,707	176,497
Executive Council	16,465	-	-	16,465
Finance	67,831	1,546	1,188	67,473
- Public Service Pensions and Benefits	283,517	-	-	283,517
Finance Debt Servicing	395,000	-	-	395,000
Government Relations	562,194	1,400	2,724	563,518
Health	4,693,776	48,080	1,797	4,647,493
Highways and Infrastructure	305,291	8,022	126,482	423,751
Highways and Infrastructure Capital	322,794	322,794	-	-
Innovation Saskatchewan	6,769	-	-	6,769
Justice	543,821	30,075	1,304	515,050
Labour Relations and Workplace Safety	17,910	-	104	18,014
Parks, Culture and Sport	109,587	11,849	2,920	100,658
Public Service Commission	36,656	-	1,500	38,156
Saskatchewan Research Council	18,983	-	-	18,983
SaskBuilds Corporation	2,000	-	-	2,000
Social Services	862,289	18,157	2,488	846,620
Legislative Assembly and its Officers				
Chief Electoral Officer	2,471	-	-	2,471
Children's Advocate	1,944	-	-	1,944
Conflict of Interest Commissioner	145	-	-	145
Information and Privacy Commissioner	1,065	-	-	1,065
Legislative Assembly	26,173	220	114	26,067
Ombudsman	3,075	-	-	3,075
Provincial Auditor	8,332	-	-	8,332
Total	11,639,839	569,015	156,629[3]	11,227,453

[1] Forecasted Expenditure reflects the expected 2012-13 spending from voted and statutory appropriations - see Schedule of Budgetary Appropriation.

[2] Estimated usage of appropriation for government-owned capital - see Schedule of Capital Investments.

[3] Total capital amortization of government-owned assets excludes amortization incurred by service providers, such as the Ministry of Central Services, that is recovered from voted appropriation through billing client ministries ($21,331K) and from non-GRF organizations ($10,021K).

Schedule of Capital Investments

(thousands of dollars)

	Restated Estimated 2012-13	Supplementary Estimated 2012-13	Estimated Adjustments 2012-13[1]	Forecasted Expenditure 2012-13
Capital Asset Acquisitions				
Central Services	62,379	-	-	62,379
Economy	7,953	238	162	8,353
Education	38,613	-	3,228	41,841
Environment	14,299	-	-	14,299
Finance	600	-	946	1,546
Government Relations	1,400	-	-	1,400
Health	48,080	-	-	48,080
Highways and Infrastructure	10,022	-	(2,000)	8,022
Highways and Infrastructure Capital	275,300	50,000	(2,506)[2]	322,794
Justice	30,075	-	-	30,075
Parks, Culture and Sport	11,849	-	-	11,849
Social Services	21,657	-	(3,500)	18,157
Legislative Assembly and its Officers	220	-	-	220
Capital Asset Acquisitions	522,447	50,238	(3,670)	569,015
Capital Transfer Payments				
Advanced Education	12,240	-	-	12,240
Education	77,799	-	(9,894)	67,905
Executive Council	100	-	-	100
Government Relations	110,977	-	-	110,977
Health	23,545	-	-	23,545
Highways and Infrastructure	32,286	-	670	32,956
Justice	748	-	-	748
Parks, Culture and Sport	3,441	5,000	-	8,441
Social Services	4,150	-	-	4,150
Capital Transfer Payments	265,286	5,000	(9,224)	261,062
Capital Investments	787,733	55,238	(12,894)	830,077

[1] The estimated adjustments represent forecasted reallocations between capital (asset acquisitions and capital transfers) and non-capital appropriations, forecasted expenditure reductions or savings, and the net change in capital carryover in Highways and Infrastructure Capital (see note 2).

[2] This represents the net change in capital carryover in Highways and Infrastructure Capital, as authorized by annual Appropriation Acts ($57,494K of 2011-12 capital appropriation carried over to 2012-13, offset by $60,000K of 2012-13 capital appropriation forecasted to be carried over to 2013-14).

Schedule of Budgetary Appropriation by Classification

Supplementary Estimates - November

(thousands of dollars)

	Government Delivered Programs			Transfers			
				Transfers for Public Service			
	Salaries and Benefits	Goods and Services	Capital Asset Acquisitions	Operating	Capital	Transfers to Individuals	2012-13 Total
Ministries and Agencies							
Economy	6,209	6,232	238	3,305	-	-	15,984
Government Relations	-	1,229	-	14,006	-	70,000	85,235
Highways and Infrastructure Capital	-	-	50,000	-	-	-	50,000
Labour Relations and Workplace Safety	170	355	-	-	-	-	525
Parks, Culture and Sport	-	-	-	-	5,000	-	5,000
SaskBuilds Corporation	-	-	-	2,000	-	-	2,000
Supplementary Budgetary Appropriation	6,379	7,816	50,238	19,311	5,000	70,000	158,744
"Voted" Budgetary Appropriation	6,379	7,816	50,238	19,311	5,000	70,000	158,744
"Statutory" Budgetary Appropriation	-	-	-	-	-	-	-

Schedule of Lending and Investing Disbursements

(thousands of dollars)

	Original Estimated 2012-13	Forecasted 2012-13	Change 2012-13
Crown Corporations - Loans			
Municipal Financing Corporation of Saskatchewan	20,000	20,000	-
Saskatchewan Liquor and Gaming Authority	146,430	146,430	-
Saskatchewan Power Corporation	623,000	772,300	149,300
Saskatchewan Telecommunications Holding Corporation	183,200	31,800	(151,400)
Saskatchewan Water Corporation	3,400	500	(2,900)
SaskEnergy Incorporated	148,400	67,800	(80,600)
Crown Corporations - Loans	1,124,430	1,038,830	(85,600)
Other - Loans			
Advanced Education	56,000	54,000	(2,000)
Economy	11,300	9,765	(1,535)
Other - Loans	67,300	63,765	(3,535)
Loans	1,191,730	1,102,595	(89,135)
Investments			
Contributions to Sinking Funds	91,380	91,931	551
Sinking Fund Redemptions of Crown Corporations	6,076	6,185	109
Investments	97,456	98,116	660
Disbursements	1,289,186	1,200,711	(88,475)

Debt Redemption

(thousands of dollars)

	Original Estimated 2012-13	Forecasted 2012-13	Change 2012-13
Debt Redemption			
Government General Debt	1,107,141	1,107,545	404
Government Business Enterprise Specific Debt	50,000	50,000	-
Amounts in this vote are "Statutory".	1,157,141	1,157,545	404

General Revenue Fund
Supplementary Estimates - November
For the Fiscal Year Ending March 31, 2013

(thousands of dollars)

	Supplementary Estimates 2012-13
Budgetary Appropriation	
Executive Branch of Government	
Economy - Vote 23	
(formerly named Energy and Resources)	
Central Management and Services (EC01)	
Central Services	238
Economic Development (EC12)	
Economic Development	15,746
	15,984

Additional funding of $15.746M was provided by special warrant to fund operations previously performed by Enterprise Saskatchewan and assumed by the Ministry of the Economy on August 1, 2012. An equivalent amount of funding in Vote 83 (grant funding to Enterprise Saskatchewan) was frozen, resulting in no net change to the General Revenue Fund. Additional capital funding of $238K is required for increased construction costs for the Geological Core Lab Warehouse expansion.

Government Relations	
(formerly named Municipal Affairs)	
Corrections, Public Safety and Policing - Vote 73	
Public Safety (CP06)	
Provincial Disaster Assistance Program	70,000
Government Relations - Vote 30	
Public Safety (GR11)	
Emergency Management and Fire Safety	1,229
Gaming Agreements (GR12)	
First Nations Gaming Agreements	14,006
	85,235

Additional funding is required for increased claim estimates for the Provincial Disaster Assistance Program; increased emergency response capacity for Emergency Management and Fire Safety; and increased gaming agreement payments related to higher-than-expected casino income in 2011-12.

Supplementary Estimates - November

Continued

(thousands of dollars)

	Supplementary Estimates 2012-13
Highways and Infrastructure Capital - Vote 17	
Infrastructure Rehabilitation (HC01)	
Infrastructure Rehabilitation	11,300
Infrastructure Enhancement (HC02)	
Infrastructure Enhancement	38,700
	50,000

Additional capital funding is required for a number of priority highway projects. A transfer of $50.0M from the Growth and Financial Security Fund will be made for this commitment.

Labour Relations and Workplace Safety - Vote 20	
Central Management and Services (LR01)	
Central Services	525
	525

Additional funding is required for government's comprehensive review of labour legislation and related consultations.

Parks, Culture and Sport - Vote 27	
(formerly named Tourism, Parks, Culture and Sport)	
Regina Stadium Project (PC16)	
Regina Stadium Project	5,000
	5,000

Funding is required for a payment to the City of Regina for preparatory work to construct a new stadium.

SaskBuilds Corporation - Vote 86	
SaskBuilds Corporation (SB01)	
SaskBuilds Corporation	2,000
	2,000

Funding was provided by special warrant to establish SaskBuilds Corporation, a new Treasury Board Crown corporation.

Supplementary Estimates - November

Continued

(thousands of dollars)

	Supplementary Estimates 2012-13
Summary - Budgetary Appropriation	
"To Be Voted"	158,744
"Statutory"	-
Total Budgetary Appropriation	**158,744**
Amount Provided by Special Warrant	17,746
Additional Funding Required	140,998

Lending and Investing Activities

Saskatchewan Power Corporation - Vote 152	
Loans (PW01) - Statutory	149,300
Amounts in this vote are "Statutory".	**149,300**

Summary - Lending and Investing Activities	
"To Be Voted"	-
"Statutory"	149,300
Total Lending and Investing Activities	**149,300**
Amount Provided by Special Warrant	-
Additional Funding Required	149,300